



*Formerly The Foundation for Taxpayer & Consumer Rights*

1750 Ocean Park Boulevard, #200, Santa Monica, CA 90405-4938 • Tel: 310-392-0522 • Fax: 310-392-8874 • [www.consumerwatchdog.org](http://www.consumerwatchdog.org)

January 13, 2009

Chairman Ross Johnson  
Commissioners Hodson, Huguenin, Leidigh and Remy  
Fair Political Practices Commission  
428 J Street, Ste. 800  
Sacramento, CA 95814  
Fax: 916-322-6440  
*Via Facsimile*

Re: Jan. 15 meeting – agenda item 16 – Regulation 18521.5, et al

Dear Chairman and Commissioners:

I am writing to express Consumer Watchdog's continued support for the Commission's effort to ensure that unlimited funds raised by candidates for ballot measure committees are spent on their stated purpose: ballot measures. A lack of clarity in current regulation has allowed these funds to be spent for undisclosed purposes by candidates, with no guarantee that such expenditures are within the law.

For example: Governor Schwarzenegger reported making \$2.4 million in contributions and expenditures to support Proposition 11 between January and June of 2008 through his general purpose ballot measure committee. However, the committee spent a total \$4.9 million in the same time period. Where did the rest of the money go? Similarly, Senator Don Perata spent \$286,000 between July and September of 2008 from his general purpose ballot measure committee, but identified less than \$20,000 of that spending with a specific ballot measure. The newly drafted Regulation 18521.5 would require that candidates disclose the legitimate current or prospective ballot measures these funds are spent on.

Our primary concern is that most of the newly disclosed information will be accessible only to the Commission and staff. Revised Regulation 18401 would require candidates to identify the specific measure for which each expenditure is made. However, the source documentation required in this regulation is not currently available online. This critical information should be obtainable by any member of the public, who will otherwise be in the dark about the purpose of specific expenditures by any committee that weighs in on more than one measure. We urge you to amend the proposed regulations to require identification on publicly filed disclosures, including the Form 460, of the measure or potential measure for which each expenditure is made. Schedule D of the Form 460 should also include a total spent on potential measures.

With this change the proposed regulations will help ensure that candidates' ballot measure committee funds are not spent for campaign, personal or other purposes, and that the purpose of such expenditures is made clear to both the Commission and the public.

Sincerely,

A handwritten signature in black ink, appearing to read "Carmen Balber", with a stylized, flowing script.

Carmen Balber